



SACHI A. HAMAI  
Interim Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

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May 21, 2015

To: Mayor Michael D. Antonovich  
Supervisor Hilda L. Solis  
Supervisor Mark Ridley-Thomas  
Supervisor Sheila Kuehl  
Supervisor Don Knabe

From: Sachi A. Hamai  
Interim Chief Executive Officer

A handwritten signature in black ink, appearing to read "Sachi A. Hamai", is written over the printed name and title.

### SACRAMENTO UPDATE

#### Executive Summary

This memorandum contains a report on the following:

- **Pursuit of County Position on a State Budget Item Related to the CalWORKs Program.** Senator Holly Mitchell, the County Welfare Directors Association (CWDA), and the Western Center on Law and Poverty are pursuing a budget proposal in the FY 2015-16 State Budget to repeal the provision under current law relating to the CalWORKs Program Maximum Family Grant (MFG) rule. Therefore, unless otherwise directed by the Board, consistent with **County-supported SB 23 (Mitchell)**, which proposes to repeal the MFG rule, and consistent with existing policy to support proposals to repeal the CalWORKs Maximum Family Grant rule which prohibits a CalWORKs grant increase for any child born into a family receiving CalWORKs Program aid for ten continuous months prior to the birth of a child, **the Sacramento advocates will support the budget proposal to include the repeal of the CalWORKs MFG rule in the FY 2015-16 State Budget Act.**

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## **Pursuit of County Position on a State Budget Item Related to the CalWORKs Program**

### **Background**

Existing law establishes guidelines for determining a family's Maximum Aid Payment (MAP) under the CalWORKs Program, including all eligible family members, and the level of aid to be paid. The MFG rule prohibits an increase in CalWORKs aid based on an increase in the number of needy persons in a family due to the birth of an additional child, if the family received aid continuously for the ten months prior to the birth of a child. Current law exempts specified circumstances from this prohibition, including: 1) any child conceived as a result of an act of rape if the rape was reported to a law enforcement agency, medical or mental professional or social services agency prior to or within three months after the birth of the child; 2) if the family does not receive aid for two consecutive months during the ten months prior to the child's birth; and 3) if a family member returns to aid after a break of two or more years during which the family did not receive any aid provided that the family still meets eligibility requirements and aided children are still under 18 years old.

Furthermore, pursuant to the *McCormick vs. County of Alameda* decision, the Board approved policy on September 2, 2014 extending General Relief (GR) assistance and amending the County Code to provide eligibility for GR to minor children ineligible for CalWORKs benefits due to the MFG rule as follows: 1) GR eligible MFG children who are a part of an approved CalWORKs case in which the family is receiving a zero dollar CalWORKs grant for reasons other than failure to comply with CalWORKs Program requirements; or 2) MFG children whose CalWORKs case was terminated prior to the GR application and the family was receiving a zero dollar CalWORKs grant for reasons other than failure to comply with CalWORKs requirements. The maximum GR cash benefit an MFG child can receive is \$221 per month for the 24 consecutive-month period that it takes for the MFG child to become eligible for the CalWORKs cash benefit. Once a child's MFG status expires, GR aid is terminated and then eligible to apply for CalWORKs cash benefits.

### **CalWORKs Program Maximum Family Grant Rule Budget Proposal**

The budget proposal by Senator Holly Mitchell, CWDA, and the Western Center on Law and Poverty would include in the FY 2015-16 State Budget the repeal of the CalWORKs MFG rule and prohibit the denial of aid or an increase in the maximum aid payment if a

child was born into an applicant's or recipient's family while receiving aid under the CalWORKs Program. Repealing the MFG rule would also prohibit an applicant's or recipient's eligibility for CalWORKs aid to be conditioned on the disclosure of information regarding rape, incest, or contraception, as specified.

This budget proposal is consistent with **County-supported SB 23 (Mitchell)** which would repeal the CalWORKs Program MFG rule, among other provisions. This bill is currently on the Senate Appropriation Committee's Suspense File.

### **County Impact**

The Department of Public Social Services (DPSS) indicates that this budget proposal would allow basic assistance for children in families with existing CalWORKs cases and families who apply for CalWORKs in the future by alleviating a degree of the financial impact, due to a reduced grant that may hinder parents in achieving self-sufficiency. Furthermore, according to DPSS, if this budget proposal is enacted, the net fiscal impact on the County could be positive as the 2.5 percent share of the CalWORKs grant for all current MFG children could be less than the 100 percent Net County Cost of the GR grant costs for MFG children who currently qualify under the Board-approved GR Policy. DPSS indicates that based on October 2014 data, there were a total of 31,808 CalWORKs MFG cases and 42,849 MFG children.

### **Conclusion**

This office and the Department of Public Social Services support the above mentioned budget proposal because it is consistent with **County-supported SB 23 (Mitchell)** to repeal the MFG rule and with existing policy to support proposals to repeal the CalWORKs Maximum Family Grant rule which prohibits a CalWORKs grant increase for any child born into a family receiving CalWORKs Program aid for ten continuous months prior to the birth of a child. Therefore, unless otherwise directed by the Board, **the Sacramento advocates will support the budget proposal to include the repeal of the CalWORKs MFG rule in the FY 2015-16 State Budget Act.**

On May 21, 2015, the Senate Budget Subcommittee No. 3 on Health and Human Services voted 2 to 1 to approve this budget proposal to repeal the MFG, effective October 1, 2015, with the inclusion of \$158.0 million in State General Funds to fund the

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policy. On May 21, 2015, the Assembly Budget Subcommittee No. 1 on Health and Human Services also voted 3 to 2 to conform to the Senate action to repeal the MFG rule. This proposal will also be considered by the full Senate and Assembly Budget Committees.

We will continue to keep you advised.

SAH:MR  
OR:ma

c: All Department Heads  
Legislative Strategist  
Local 721  
Coalition of County Unions  
California Contract Cities Association  
Independent Cities Association  
League of California Cities  
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